Country: DENMARK

Type of Document: International Market Insight

Title: OPPORTUNITIES IN HANDLING WASTED DRINK CANS

Opportunities in handling wasted drink cans

Kevin Knagg 1/02/2001

Background

The Danish Government is in the latter stages of creating legislation which will clearly define the requirements and regulations relating to the recycling of beverage cans. This legislation is necessary due to Denmark being forced to follow EU regulations by withdrawing its current support for plastic and glass bottles and directing its focus towards canned drinks: it is cans, along with plastic and glass bottles, which will now be the basis for Denmark's recyling industry.

Denmark and The Recycling "Issue"

Denmark has been a long-term opponent of steel and aluminum disposable cans within the alcohol and soft-drinks industry, its most vocal opponent being The Danish Ministry of Energy and Environment. Currently some 96% of bottles are recycled and the Danish consumers have become accustomed to recycling as an everyday household chore. But after having been forced to bow down to EU pressure and switch its main focus to canned drinks, the fear amongst environmental groups and The Ministry of Energy and Environment itself is that Denmark's reputation at the forefront of the recycling movement will suffer.

In order to alleviate most of the difficulties surrounding the switch, an organization entitled Dansk ReturSystem A/S ("The Danish Returning System") was founded in May 2000 by a number of industry interest groups (soft-drinks manufacturers, importers, exporters and retailers) and was asked by the government to come up with proposals to ensure that the 96% recycling figure is maintained once the switch is made. Current government proposals include a minor duty levied on each can to help finance handling costs and to encourage consumers to recycle (a similar scheme currently operates with great success, whereby consumers are levied a small bottle charge which is returned if and when the bottle is

returned to a recycling station).

Dansk ReturSystem A/S enjoys a 6-year monopoly which is tightly controlled by the Government to ensure that none of the partners within the coalition abuses their position. It is the responsibility of Dansk ReturSystem to come up with a reliable and practical method for recycling cans which would enable the government to make changes to law 447/00 (the law to the recycling of glass and plastic bottles). The hope is that the successful method will cause as little practical disruption as possible whilst continuing the highly successful consumer involvement within recycling.

Back in 1970 a local brewery FAXE Bryggeri introduced canned beers on the Danish market, but according to agreement between the Minestry of Environment and the entire organisation of Danish breweries in 1971 concerning restriction the use of cans considering environmental issues the legislation in 1981 abandoning cans was introduced and from that period and until present Danish breweries has been using cans only for export

Opportunities for US Businesses

Given that the switch from bottles to include cans is necessittated by EU regulations, it is a case of when and not if Denmark will make the switch. Dansk ReturSystem are responsible for finding reasonable alternatives to currently recycling equipment and it is here there are a number of potential opportunities for US companies to become involved.

American companies which can

- provide can recycling machinery that can be installed at single outlets (i.e. drug stores) or local collecting stations or both.
- provide industry knowledge of the canned drink industry and related recycling issues,

are asked to contact CS Copenhagen at the address below where more information can be obtained. This is an excellent opportunity for US companies to become involved in a well established recycling market which has a high consumer appeal and a history of success.

Contact information

CS Copenhagen is able to provide further information regarding the above and can advise any interested parties on the current recycling market and future industry plans. For additional information please contact CS

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